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92-77, ROOM 222

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

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FILE

IN REPLY REFER TO:

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IC-93-00841  
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NOV 27 1992

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Honorable Harris W. Fawell  
House of Representatives  
435 Cannon House Office Building  
Washington, D.C. 20515-1313

Dear Congressman Fawell:

Thank you for your letter on behalf of your constituent regarding a \$4.91 charge that appeared on his telephone bill for an intrastate call billed on behalf of Operator Assistance Network. Your constituent is of the opinion that this charge would have been less than \$1.00 had the call been made from an Illinois Bell phone booth. You also ask to be updated on the FCC's actions regarding billed party preference.

Under the Communications Act, the jurisdiction of the Commission is limited generally to interstate and foreign telecommunications service matters. Intrastate and local telephone service matters, such as calls placed and received within the same state, fall within the jurisdiction of the various state regulatory commissions. In the state of Illinois, the agency with such jurisdiction is the Illinois Commerce Commission (ICC). Therefore, in an effort to assist your constituent, we are forwarding your letter and the enclosure to the ICC at the address shown below for its review and appropriate response.

The Commission has taken steps to ensure the availability of sufficient information to consumers and to help consumers make informed choices by adopting rules and policies concerning the practices of all operator service providers. Enclosed is informational material regarding operator service providers and the Commission's role in ensuring that these services are provided to consumers in a fair and reasonable manner.

Billed party preference is the term used to describe a proposal to change the way local telephone companies handle certain operator service calls. Currently, if a caller places a "0+" operator services call (that is, the caller dials "0" and then a long-distance telephone number, without first dialing a carrier access code, such as 10-ATT), the call is carried by the operator services provider presubscribed to the telephone line from which the call originated. The presubscribed carrier for public payphones is chosen by the payphone owner or the owner of the premises on which the payphone is located. Operator service providers compete for payphone presubscription contracts by offering significant commissions to premises owners on long-distance traffic and then including those commission costs in their own rates to consumers.

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In April 1992, the Commission adopted a Notice of Proposed Rulemaking to consider whether the current presubscription system should be replaced by a billed party preference methodology. Under billed party preference, all 0+ calls would be handled automatically by the carrier predesignated by the party paying for the call. For example, a credit card call would be handled by the carrier that issued the card. A collect call would be handled by the carrier presubscribed to the called line.

Because billed party preference would replace the current presubscription system for operator services calls, operator service providers would no longer be likely to pay significant commissions to premises owners for presubscription contracts. In addition, billed party preference could make operator services much more user friendly for the calling public. In particular, it would allow callers to place their operator services calls without dialing access codes, while ensuring that the party paying for each call -- as opposed to the payphone or premises owner -- would determine the operator service provider to carry it.

Because of these and other benefits that potentially could be offered by billed party preference, the Commission tentatively concluded in its Notice of Proposed Rulemaking that billed party preference is, in concept, in the public interest. At the same time, the Commission sought detailed information and comment on a comprehensive range of issues relating to this proposal.

The Commission has thus far received extensive comment on the billed party preference proposal. Let me assure you that the Commission will carefully consider all of the ramifications of this important proposal before taking final action on it. Enclosed is a news release about the Commission's proposal.

Sincerely,

Cheryl A. Tritt  
Chief, Common Carrier Bureau

Enclosures

cc: Illinois Commerce Commission  
527 East Capitol Avenue  
P.O. Box 19280  
Springfield, Illinois 62794  
(telephone: 217-782-7295)

HARRIS W. FAWELL  
13TH DISTRICT, ILLINOIS

EDUCATION AND LABOR

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LABOR STANDARDS  
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**Congress of the United States**  
**House of Representatives**

Washington, DC 20515-1313

October 29, 1992

WASHINGTON OFFICE:  
435 CANNON HOUSE OFFICE BUILDING  
(202) 225-3515

CONGRESSIONAL DISTRICT OFFICE:  
115 W. 55TH STREET  
SUITE 100  
CLARENDON HILLS, IL 60514  
(708) 855-2052

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

880000041

Mr. Terry Haines  
Chief of Staff  
Federal Communications Comm.  
1919 M. Street, N.W.  
Washington, D.C. 20554

Dear Mr. Haines:

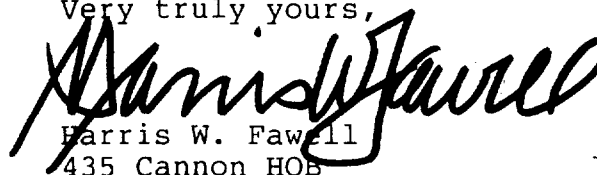
I am writing to request your assistance in addressing a concern of a constituent of mine. I have enclosed a copy of his telephone bill for your review.

As you will see, my constituent has been billed \$4.91 for a call, one minute in duration, using his AT&T calling card to call a number in Chicago, IL, from an Operator Assistance Network phone booth in Glen Ellyn, IL. He claims, correctly I believe, that this bill would have been less than \$1.00 had the call been made from an Illinois Bell phone booth.

A staff member of the House Energy and Commerce Committee has informedtells me that the Federal Communications Commission (FCC) has issued regulations to deal with the problem of bill party preference and pay phones. I would appreciate it if you could update me in regard to the FCC's efforts to correct this problem.

Thank you in advance for your attention to this matter.

Very truly yours,

  
Harris W. Fawell  
435 Cannon HOB

HWF:bs  
Enclosure

# DETAILED CHARGES



Section 3 Page 1\*

To contact your Service Representative call 1 800 244-4444  
Monday through Saturday, 24 hours.  
To request bill balance, payment arrangements, or duplicate  
bill copy, call our automated Billing Service on 1 800 873-5501.

APR 4, 1992

## IMPORTANT INFORMATION

This portion of your bill is provided as a service to the company  
identified above. There is no connection between Illinois Bell and  
this company.

## CURRENT CHARGES

### Long Distance

Date	Time	Called Place	Area Number	Rate	Mins.	
		CALLING CARD	355 7434			
2-26	448P	CHICAGO IL	312 269 7500	AD	1	
		FROM GLEN ELLYN IL	708 790 8391			4.34
Total Long Distance .....						4.34

### Local & State Additional Charges

City A.C. ....	.22
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### Taxes

Fed Tax .....	.13
IL Tax .....	.22

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TOTAL OAN CURRENT CHARGES	4.91
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